

2011 - 2012 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
63	1	B	1

Budget Action Title: Cut \$100,000 GSF in 2011 and \$200,000 in 2012 from HSD's Leadership and Administration Budget Control Level by identifying efficiencies in administering agency contracts

Councilmembers: Budget Committee

Staff Analyst: Michael Fong

Council Bill or Resolution:

Date		Total	SB	BH	SC	TR	JG	NL	RC	TB	MO
	Yes										
	No										
	Abstain										
	Absent										

Summary of Dollar Effect

See the following pages for detailed technical information

	2011 Increase (Decrease)	2012 Increase (Decrease)
General Subfund		
General Subfund Revenues	\$0	\$0
General Subfund Expenditures	(\$100,000)	(\$200,000)
Net Balance Effect	\$100,000	\$200,000
Other Funds		
Human Services Operating Fund		
Revenues	(\$100,000)	(\$200,000)
Expenditures	(\$100,000)	(\$200,000)
Net Balance Effect	\$0	\$0
Total Other Funds	\$0	\$0
Total Budget Balance Effect	\$100,000	\$200,000

Budget Action description:

This green sheet would cut \$100,000 GSF in 2011 and \$200,000 GSF in 2012 from the Human Services Department (HSD) budget and establishes a reduction target for achieving financial savings through identifying efficiencies and opportunities for streamlining agency contract administration. The proposed reduction will be taken from HSD's Leadership and Administration Budget Control Level (BCL), but Council recognizes that after the department develops a plan for realigning resources for contract administration, budget savings may be realized from other BCLs. Council

<i>Tab</i>	<i>Action</i>	<i>Option</i>	<i>Version</i>
63	1	B	1

expects that a plan for realigning contract administration will be presented to the Housing, Human Services and Health Committee by the end of the first quarter of 2011.

HSD has over 500 contracts with more than 200 community agencies to provide a variety of services to Seattle residents. The total value of these contracts represent over \$120 million in funding allocations made each year. Currently, HSD has identified 44 FTE that have a substantive role in negotiating, writing and monitoring these performance based contracts. While recognizing the complexity in comparing contract administration by jurisdiction, from the perspective of a few work load metrics (contract value and the number of contracts being monitored), this level of staffing compares favorably to some cities and not so favorably to others.

Given growing challenges facing the City's General Fund and a desire to prioritize and maintain direct services, both the Council and Executive have expressed interest in examining HSD's contracting practices and implementing cost saving measures. The annual cost of 1 FTE grants and contracts specialist position is approximately \$90,000. This proposed action assumes that HSD will be able to identify process efficiencies and other savings roughly equivalent to the work load of 2 FTE on an on-going basis while continuing to provide an acceptable level of contract administration. Given that some time will be necessary in order to implement a new plan for contract administration and achieve savings in 2011, Council expectation is for 50% (\$100,000) of these on-going savings to be identified and realized for the second half of the year. No positions are abrogated as part of this action. The intent is to give the department director flexibility in identifying options for achieving \$100,000 of savings in 2011 and a total of \$200,000 of ongoing GSF savings beginning in 2012 that may or may not include eliminating positions. Further Council direction is provided to HSD as part of SLI 63-2-B-1.

<i>Tab</i>	<i>Action</i>	<i>Option</i>	<i>Version</i>
63	1	B	1

Budget Action Transactions

Budget Action Title: Cut \$100,000 GSF in 2011 and \$200,000 in 2012 from HSD's Leadership and Administration Budget Control Level by identifying efficiencies in administering agency contracts

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	Reduce GSF support to HSD for contract administration.				FG	Human Services Operating Fund	Q5971620	00100	2011		(\$100,000)
2	Reduce revenue from GSF for contract administration.				HSD	General Subfund Support	587001	16200	2011	(\$100,000)	
3	Decrease appropriation for contract administration.				HSD	Leadership and Administration	H50LA	16200	2011		(\$100,000)
4	Reduce GSF support to HSD for contract administration.				FG	Human Services Operating Fund	Q5971620	00100	2012		(\$200,000)
5	Reduce revenue from GSF for contract administration.				HSD	General Subfund Support	587001	16200	2012	(\$200,000)	
6	Decrease appropriation for contract administration.				HSD	Leadership and Administration	H50LA	16200	2012		(\$200,000)